Because of the revival in investment in 1994-95, and the demand for external commercial borrowings from investors in the newly opened infrastructure sectors such as power, there has been a heavy demand for external commercial borrowings in the current year. In order to keep the level of new borrowing commitments within prudent limits of debt management, the following new guidelines have been issued:

a. All proposals that are in conformity with the existing guidelines for external sector borrowings and that have been received by the Ministry of Finance with full details by January 31 1995 will be eligible for clearance during the current financial year.

b. All small and medium value proposals involving external commercial borrowings of upto and including USD 15 mio. equivalent will be cleared provided the average tenor of the loan is at last 3 years, and other terms and conditions are within reasonable parameters.

c. Large value proposals involving externl commercial borrowings of over USD 15 mio. equivalent, will be approved provided the average loan tenor is at least 7 years, and other terms and conditions are within reasonable parameters.

d. Proposals where the external commercial borrowings are part of the financing plan of infrastructure projects such as power, oil exploration, and telecommunications, or projects where there is a strong export orientation will be given priority.

Further, extensions of in-principle approval or final approval beyond the period of 6 months from the date of approval will not be permissible. The Tender in each case must be either a prime bank. an internationally recognised financial institution, an export credit agency, or a supplier of capital equipment. The external debt to external equity norms for mega cases, announced from time to time would continued to apply.

Deposit of passengers tax by private airlines

*119. DR. SANJAYA SINH: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether it is a fact that some private airlines have not deposit the passengers tax despite several reminders to them;

(b) if so, what are the names of the Airlines alongwith the details of dues outstanding against each;

(c) since when these dues are outstanding; and

(d) what action Government have taken to recover that amount and with result?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) to (d) A statement indicating the details of the Inland Air Trael Tax due from each of the airlines alongwith the actic, taken to recover the amounts is laid on the table of the House.

Statement

Sl.No.	Name of the Airlines	Period	Arrears (Amount in Rupees Lakhs)	Action taken to recover the amount
1	2	3	4	5
1.	M/s. Jagson Airlines	1992-93	005.81	Action under Rule 14 (3) of the Inland Air Travel Tax Rules, 1989 was initiated for recovery of arrears amounting to Rs. 11.31 lakhs outstanding amount as land revenue District authorities have permitted the carrier to deposited an amount of Rs. 50,000 per month. So far they have deposited an amount of Rs. 5.5 lakhs.
2.	M/s. Continental Aviation (P. Ltd.)	1991-92 1992-93	074.86	Action under Rule 14 (4) of Inland Air Travel Tax Rules, 1989, has been initiated against the carrier. An aircraft of the carrier was detained by the Department of Bombay on 10-2-95. Further action to dispose of the aircraft would be taken as per law. Carrier has since stopped its operations.
3.	M/s. Citylink Airways	1992-93	060.15 & 018.47 (penalty)	Action under Rule 14 (3) of the Inland Air Travel Tax Rules, 1989 has been intiated for recovery of the dues as arrears of land revenue. The District authorities have not yet recovered any amount. The carrier has since stopped its operation.
4.	M/s. East West Airline	1992-93	177.00	Action under Rule 14 (4) of the Inland Air Travel Tax Rules, 1989 was initiated for recovery of arrears amounting to Rs. 800 lakhs. An aircraft of the carrier was detained on 8-11-94 but was subsequently released on 10-11-94 on an undertaking by the carrier to pay the amount in instalments of Rs. 1 crore per month and interest at the rate of 20 % per annum thereon. So far the carrier has deposited Rs. 623 lakhs.
5.	M/s. Damania Airways	July, August, October, November & December 1994	209.00	Action under Rule 14 (4) of Inland Air Travel Tax has been initiated against the carrier and their aricraft was detained on 25-2-95 for recovery of arrears amounting to Rs. 802 lakhs. Till date carrier has deposited Rs. 593 lakhs. The said aircraft is still under detention.
6.	M/s. Raj Aviation	January 1994, April 1994	046.64 & 015.12 (Penalty)	The carrier started its operation in January 94 and closed down in April 1994. A demand of Rs. 46.64 lakhs was confirmed on 6-1-95. Action for recovery will be initiated as per law in case the amount remains unpaid for 3 months.

Besides the above cases, show cause Notice have been issued to some of the airlines who have not alleged deposited the tax due from them. The amounts outstanding, if any, would be determined after the cases have been adjudicated.